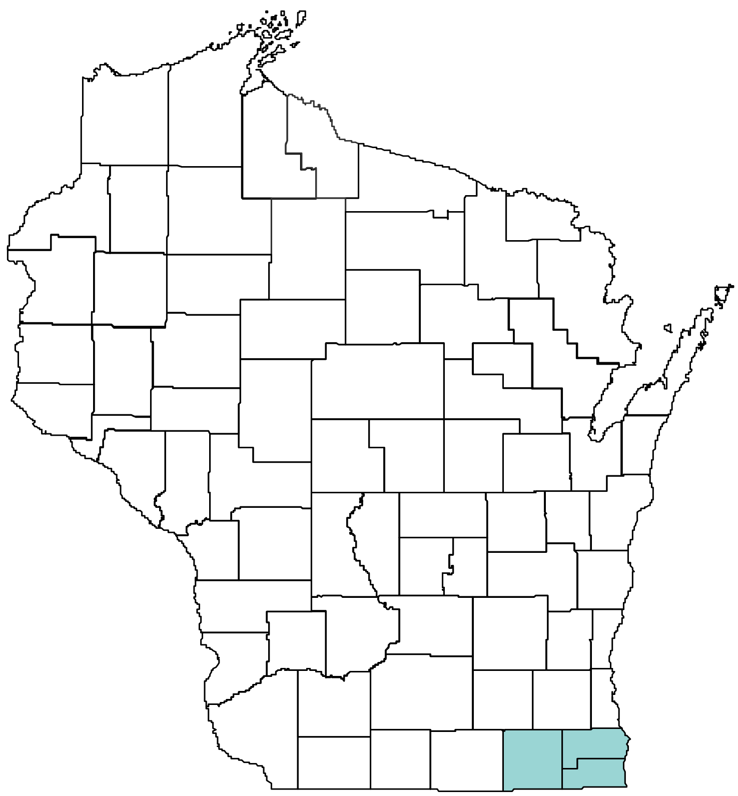
Workforce Development Area Profile

Southeast Wisconsin

Kenosha, Racine, and Walworth Counties.



The labor market is a constant ebb and flow of supply and demand. Too little demand for workers creates too much supply and unemployment increases. But too little supply of workers means job vacancies and lack of employment growth.

Every Workforce Development Area in the state should anticipate a tight labor supply condition by the end of the next decade. Planners in each area must understand the unique set of employment characteristics in their region to development a strategy to meet a future where demand will exceed supply.

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State of Wisconsin
Department of Workforce Development
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Industry employment and projections

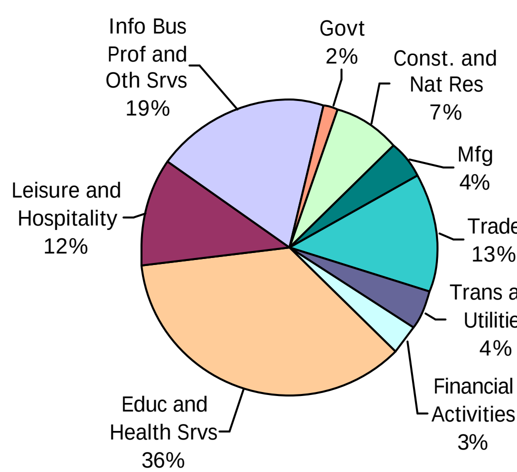
It is imperative for those involved in workforce and economic development to understand the economic and demographic directions of their communities. This regional profile contains current and projected industry, occupation, labor force and demographic information. These items were chosen upon requests and feedback from a diverse customer-base.

The total number of nonfarm jobs in the Southeast Workforce Development Area (Kenosha, Racine and Walworth counties) is projected to increase 13 percent (+22,400 jobs) totaling 189,000 jobs by 2012. The goods-producing sectors in the regional economy will represent 26 percent of total employment by 2012 down from 28 percent in 2002. Services-providing industry sectors will increase from 72 percent of employment to about 74 percent. The table at the bottom of this page lists the region's industry sector growth forecast.

The education and health services sector is projected to show the largest numeric employment growth adding 8,050 jobs from 2002 to 2012, with hospital employment making up the overwhelming majority of this sector's growth. Education and health is also expected to show the fastest employment growth rate of all regional sectors. Approximately one out of every three newly created jobs in the southeast will be in this broad sector. The educational services component of the sector, which includes both publicly and privately owned establishments, will grow a little faster than the overall average of 13 percent growth.

Manufacturing is currently the largest employing industry sector in the region. Despite the national economic recession earlier in the decade and its subsequent slow employment recovery, manufacturing employment is projected to maintain its top rank in 2012, albeit just slightly higher than employment in the education and health services sector. Employment growth is forecasted to be sluggish adding 930 new jobs from 2002, but this does not diminish the fact that skilled workers will still be needed as replacements for those leaving the manufacturing workforce, which will be discussed in more detail in this profile's section detailing occupational projections.

Distribution of Job Growth by Industry Sectors in Southeast Wisconsin: 2002 - 2012



Industry Projections for Southeast Workforce Development Area, 2002-2012

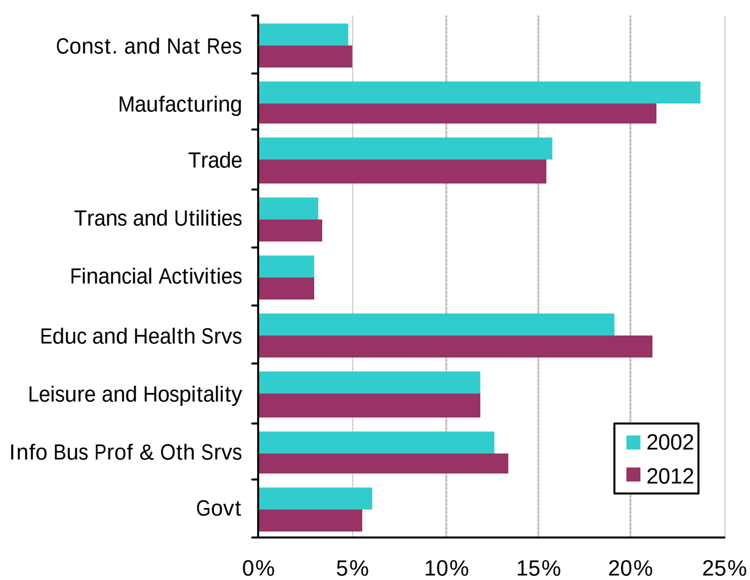
Industry Title	Employment 2002 Estimate	Employment 2012 Projected	Ten-year change Numeric	Ten-year change Percent
Total Non-farm Employment	166,650	189,040	22,390	13.4%
Construction/Mining/Natural Resources	7,950	9,590	1,640	20.6%
Manufacturing	39,440	40,370	930	2.4%
Food Manufacturing	3,390	3,620	230	6.8%
Plastics and Rubber Products Manufacturing	3,090	3,680	590	19.1%
Electrical Equipment, Appliance, and Component Mfg	3,620	3,410	-210	-5.8%
Trade	26,190	29,050	2,860	10.9%
Food and Beverage Stores	4,320	4,630	310	7.2%
Transportation and Utilities (Including US Postal)	5,420	6,380	960	17.7%
Financial Activities	4,950	5,640	690	13.9%
Education and Health Services (Incldg state & local govt. ed. & hosp.)	31,880	39,930	8,050	25.3%
Educational Services (Including state and local govt.)	13,520	15,550	2,030	15.0%
Health Care and Social Assistance (incldg state & local govt.)	18,360	24,380	6,020	32.8%
Leisure and Hospitality	19,730	22,380	2,650	13.4%
Information/Prof Services/Other Services	20,960	25,190	4,230	20.2%
Government (Excluding USPS, state & local govt. ed. and hosp.)	10,140	10,510	370	3.6%

Source: WI DWD, Office of Economic Advisors, September 2004

The region's other goods-producing sector; construction, mining and natural resources, is projected show much faster employment growth in comparison to manufacturing gaining 1,640 jobs (+20.6%) over the projection period. It is estimated that construction industry employment makes up close to 90 percent of this sector's employment in the southeast and therefore will virtually be the sole contributor to this sector's employment growth. Though it only comprises about five percent of the region's total employment, construction's importance is underscored by its role in commercial and infrastructure development as well as the higher than average annual wages paid to its workers ($40,181 in 2003).

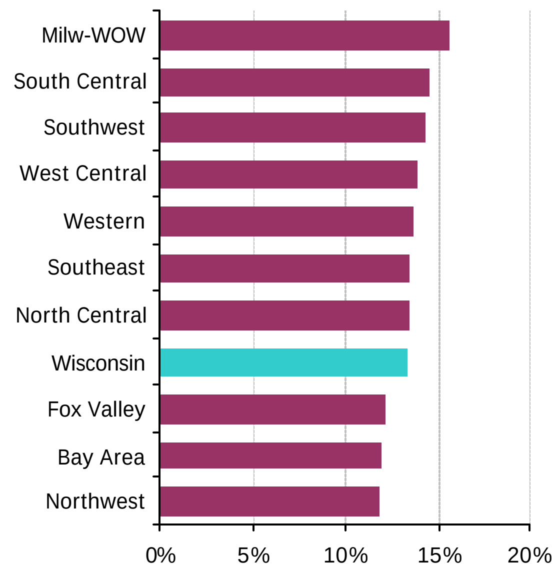
The information, professional, business and other services sector is an amalgam of industry sectors, many of which have business-to-business relationships or support roles with other significant industry sectors. Its employment is projected to grow strongly. Examples of this sector's component industries include newspaper publishers, computer systems designers, law firms, temporary employment agencies, travel agencies and scientific testing laboratories. The majority of this broad sector's employment, about one-third of it, is based in professional and business services employment, which has a large contingent of its workers employed by employment placement agencies and temporary employment agencies. Employment via these agencies grew incredibly fast recently indicating a rebound in the economy as employers have found it easier to contract with these agencies to find immediate help for their increasing workloads. These contracted workers are placed across many industries, but it is likely that most of the increase in personnel in the southeast region was directed towards manufacturers.

Distribution of Jobs by Industry Sectors in Southeast Wisconsin: 2002 - 2012



Source: WI DWD, Office of Economic Advisors, September 2004

Changes in Employment for Workforce Development Areas in Wisconsin: 2002 - 2012



Source: WI DWD, Office of Economic Advisors, Sept. 2004

Industry sectors projected to show the least dynamic change in the southeast region are government (excluding education and health care establishments) and financial activities. The latter sector is projected to grow a bit faster than the overall growth rate, but it is relatively small in the southeast region comprising about three percent of total employment compared to the average in Wisconsin of about six percent. Government employment is only projected to add about 370 jobs by the end of the projection period. Most of this small increase will likely occur in local government entities as they make up about 85 percent of the region's total government employment.

Every southeast industry sector is projected to experience at least minimal employment growth, but some sectors' percentage shares of the labor market are projected to decrease such as manufacturing, trade and government employment. The southeast's total employment growth will be a bit faster than the state average and will rank in the middle of the WDA pack as shown in the above graph.

Industry projections are a good start to regional analysis, but they need to be complemented with occupational analysis and population research. Both of these topics will be discussed further into the profile. The region's age demographics, more specifically its aging population, will be the most significant factor in its future industrial and occupational composition, as well as its pool of workers.

Employment and wages

Southeast WDA industry wages, overall, are on par with Wisconsin's 2003 annual average. The region's highest paying sector, manufacturing, is also its highest paying in state-relative terms paying 17 percent more per year, per worker than the statewide average. The lowest paying industry in the WDA, relatively speaking, is financial activities paying 78 cents to its workers for every statewide dollar paid.

The graph below distributes each sector's percentage share of total employment and its share of total payroll in the region. For example, in 2003, manufacturing represented 20 percent of all regional jobs, but comprised a much higher share, 29 percent, of the total wages paid in the southeast.

2003 Average Annual Wage by Industry Division in Southeast WDA

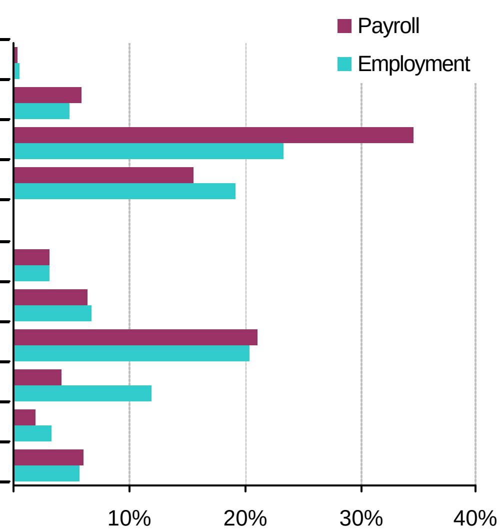
	Average Annual Wage		Percent of	1-year
	Wisconsin	Southeast	Wisconsin	% change
All Industries	$ 33,423	$33,144	99%	2.7%
Natural resources	$ 25,723	$24,178	94%	2.1%
Construction	$ 40,228	$40,181	100%	1.0%
Manufacturing	$ 42,013	$49,216	117%	4.8%
Trade, Transportation, Utilities	$ 28,896	$26,816	93%	2.4%
Information	$ 39,175	Not avail.	Not avail.	Not avail.
Financial activities	$ 42,946	$33,312	78%	4.6%
Professional & Business Services	$ 38,076	$31,572	83%	2.2%
Education & Health	$ 35,045	$34,336	98%	2.2%
Leisure & Hospitality	$ 12,002	$11,172	93%	2.2%
Other services	$ 19,710	$19,267	98%	0.0%
Public Admininistration	$ 35,689	$35,635	100%	2.2%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

Industry sector wage levels are chiefly dictated by its component industries and their occupational composition. Wages are also influenced by an establishment's geographic location, length of workweeks, seasonal duration, and unionization. Two Southeast WDA includes counties rank as the first and third-highest paying manufacturing sectors in Wisconsin, Racine ($53,851) and Kenosha ($48,715) counties, respectively. These two metropolitan counties have a variety of characteristics influencing higher than average wages such as unionized production workers and corporate headquarters with executive ranked management, both of whom tend to command higher than average wages. Walworth County comprises 22 percent of the region's manufacturing employment and wages there are considerably lower averaging $39,171 per annum. This is indicative of Walworth's more production-oriented workforce and its less value-added manufacturing base.

2003 Employment and Wage Distribution by Industry in Southeast WDA

	Employment		
	Annual average	1-year change	Total Payroll
Natural Resources	773	-49	$ 18,689,910
Construction	7,899	-7	$ 317,390,905
Manufacturing	38,648	-782	$ 1,902,090,790
Trade, Transportation, Utilities	31,908	184	$ 855,649,368
Information	Suppressed	Not avail.	Suppressed
Financial Activities	5,187	226	$ 172,789,888
Professional & Business Services	11,134	-247	$ 351,517,102
Education & Health	33,829	1,258	$ 1,161,553,650
Leisure & Hospitality	19,982	219	$ 223,247,184
Other services	5,292	-30	$ 101,959,470
Public Administration	9,361	143	$ 333,575,681
Not assigned	Suppressed	Not Avail.	Suppressed
All Industries	165,615	915	5,489,105,732



Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

Significant industries

Top Five Industries in Southeast WDA

Industry	March-2004 Establishments	March-2004 Employees	Numeric Employment Change 2003 - 2004	Numeric Employment Change 1999 - 2004
Educational Services	95	14,836	-186	1,451
Food Services and Drinking Places	672	13,322	59	1,400
Executive, Legislative, & Gen. Government	61	7,601	172	606
Hospitals	4	6,725	215	1,243
Administrative and Support Services	348	6,430	720	-415

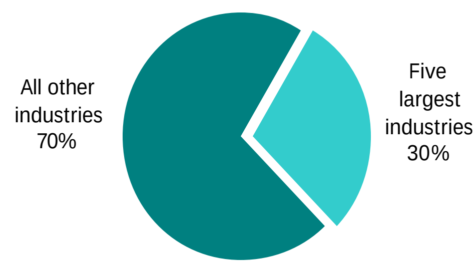
Source: DWD, Bureau of Workforce Information, Quarterly Census of Employment and Wages

The top 5 industries list, above, is more industry-specific than the industry sector lists on pages 1 and 2, which are a broader classification. The southeast's five largest industries in March 2004 accounted for almost one out of every three regional jobs.

The reader should note that manufacturing, which is a composite of many industries, is not listed in the above table. Its durable and nondurable manufacturers are numerous and are large employers when combined. Machinery manufacturing, for example employed almost 6,100 in the southeast and is a component of the region's largest employing sector, but it ranked sixth largest as an industry and missed this cut.

The following pages take a closer look at the southeast's top 5 industries detailing their 20 largest occupations (listed in descending order of jobs in 2012 via statewide occupational patterns as region-specific patterns are not available).

Share of jobs in top five industries in Southeast WDA



I. Education Service

This industry includes both publicly and privately-owned establishments though the majority of this sector's employment is in K-12 public school districts and technical college campuses, which are local government ownership. The University of Wisconsin campuses in Kenosha and Walworth counties are state government-owned. Parochial schools and private colleges are also included in this industry.

Total employment is expected to increase 15 percent from 2002 to 2012 by adding over 2,000 more jobs. The larger occupational needs will focus primarily on K-12 teachers and support staff.

The impetus for this industry's growth and top ranking is rooted both demographically and economically. The southeast region is 'younger' than average and has maintained a relatively stable younger, school-aged population particularly in Walworth County; one of the faster growing counties in Wisconsin. Kenosha County has also experienced a great deal of family in-migration. Economically, the current and projected changes in the area's job base have increased the demand for skills training and re-training at the region's excellent technical college campuses. Vocational training and adult education will likely maintain their appeal over the short– and medium-term as employers' occupational demands change.

Top 20 Occupations in Wisconsin in Education Services Ranked by number of jobs projected in 2012

Elementary School Teachers, Except Special Education
Secondary School Teachers, Except Special and Vocational Education
Teacher Assistants
Middle School Teachers, Except Special and Vocational Education
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Secretaries, Except Legal, Medical, and Executive
Vocational Education Teachers, Postsecondary
Education Administrators, Elementary and Secondary School
Special Education Teachers, Preschool, Kindergarten, and Elementary School
Kindergarten Teachers, Except Special Education
Education Administrators, Postsecondary
Educational, Vocational, and School Counselors
Executive Secretaries and Administrative Assistants
Special Education Teachers, Secondary School
Vocational Education Teachers, Secondary School
Special Education Teachers, Middle School
Librarians
Business Teachers, Postsecondary
Bookkeeping, Accounting, and Auditing Clerks
Bus Drivers, School

Source: WI DWD, Office of Economic Advisors, Sept. 2004

II. Food Services and Drinking Places

This industry is usually one of the larger employers in virtually any region; nationally, too. It is a component industry within the leisure and hospitality sector, which is projected to show average growth in the southeast. The majority of employment this industry is in full-service and fast food restaurants. Growth in this industry was established years ago and its projected growth, while not blazingly fast, will continue to prove this a significant industry in the regional economy.

The majority of occupations in this industry are in food preparation and serving related occupations, which is probably obvious. Many of these jobs are entry-level and workers are paid wages commensurate to low-skilled employment. Employment durations can be very seasonal and the length of workweeks weighs heavily towards part-time schedules. Census data from 2000 estimate an average workweek for workers in this industry of about 31 hours and a work-year of about 43 weeks. Walworth County likely has the shortest employment duration in this industry during a calendar year.

The metropolitan status of Kenosha and Racine and Walworth's vacation reputation help boost this industry's prominence. The fact that people continue to increase their spending on food outside of the home is likely also a contributor.

Top 20 Occupations in Wisconsin in Food Services and Drinking Places

Combined Food Preparation and Serving Workers, Including Fast Food
Waiters and Waitresses
Bartenders
Cooks, Fast Food
Cooks, Restaurant
First-Line Supervisors/Managers of Food Preparation and Serving Workers
Dishwashers
Food Preparation Workers
Dining Room and Cafeteria Attendants and Bartender Helpers
Cooks, Short Order
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop
Food Service Managers
Cashiers
Chefs and Head Cooks
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Driver/Sales Workers
General and Operations Managers
Truck Drivers, Light or Delivery Services
Cooks, Institution and Cafeteria

Source: WI DWD, Office of Economic Advisors, Sept. 2004

III. Executive, Legislative & General Government

As this industry's title implies, all of its employing establishments are members of federal, state or local government. This industry does not include local and state government-operated schools, hospitals, or the U.S. Postal Service. Local government makes up 85 percent of this industry's employment. State government makes up 13 percent of employment and federal government employment makes up the remaining one to two percent.

The occupational list for this industry shows a large presence of occupations in protective service; health care support; clerical; and building, grounds, and maintenance. These types of occupations reflect the dominance of municipal and county government (local) employment in the industry.

Flat growth is projected for this industry, not only in the southeast, but at the statewide level as well, and it is expected to maintain its employment rank over this projection period. The reader may notice that employment in the broader government sector is smaller compared to other sectors (page 1), but as a specific industry including only administration within executive, legislative and general government it is one of the larger southeast industries.

Top 20 Occupations in Wisconsin in Executive, Legislative & General Government Ranked by number of jobs projected in 2012

Police and Sheriff's Patrol Officers
Fire Fighters
Correctional Officers and Jailers
Nursing Aides, Orderlies, and Attendants
Legislators
Highway Maintenance Workers
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Secretaries, Except Legal, Medical, and Executive
Office Clerks, General
Registered Nurses
Emergency Medical Technicians and Paramedics
Bookkeeping, Accounting, and Auditing Clerks
Library Assistants, Clerical
Court, Municipal, and License Clerks
Child, Family, and School Social Workers
Recreation Workers
Landscaping and Groundskeeping Workers
Lawyers
Amusement and Recreation Attendants
Maintenance and Repair Workers, General

Source: WI DWD, Office of Economic Advisors, Sept. 2004

IV. Hospitals

This component industry of the education and health services sector employs over 6,500 in the southeast region. Hospitals are part of the most dynamically growing sector in the United States. Hospital employment, along with other healthcare-related component industries, will have a more pronounced effect on the total economy in the coming years because of its quick, projected growth rate combined with the magnitude of its current employment. One does not have to wait for hospital employment to become larger, it is happening now.

The list of its major occupations ranges from those involved directly in patient care as well as those that do not. This is important to note because job seekers may not understand that many occupations in the health care setting do not require medical training. Registered nurses unsurprisingly tops the occupational list as it is easily the most discussed occupation in health care, and possibly in the overall economy, as nursing shortages exist. Many other health care related occupations, such as physicians and pharmacists, are also likely to experience shortages.

The growth of hospital employment is in response to consumer demand. The region's larger, older population will consume more health services for the very simple reason that age and need for health services are positively correlated.

Top 20 Occupations in Wisconsin in Hospitals
Ranked by number of jobs projected in 2012

Registered Nurses
Nursing Aides, Orderlies, and Attendants
Licensed Practical and Licensed Vocational Nurses
Maids and Housekeeping Cleaners
Radiologic Technologists and Technicians
Medical and Clinical Laboratory Technologists
Medical and Health Services Managers
Physical Therapists
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Respiratory Therapists
Interviewers, Except Eligibility and Loan
Medical Secretaries
Surgical Technologists
Receptionists and Information Clerks
Medical Transcriptionists
Medical Assistants
Food Servers, Nonrestaurant
Medical Records and Health Information Technicians
Secretaries, Except Legal, Medical, and Executive
Occupational Therapists

Source: WI DWD, Office of Economic Advisors, Sept. 2004

V. Administrative and Support Services

This industry is a part of the broad and diverse information, professional and business services, and other services sector. This particular industry in the southeast region is chiefly composed of those working in employment services and services to buildings and dwellings. Employment services are representative of those working for temporary employment agencies or other personnel supply agencies, who contract employees to various employers. Services to buildings and other dwellings represents workers mainly in janitorial, cleaning and landscaping businesses.

The list of top occupations in administrative and support services includes a variety of jobs. The two largest occupations are connected to the cleaning and landscaping industries. The majority of the remaining occupations represent contracted or temporary workers in manufacturing establishments and other types of businesses seeking clerical staff, medical staff, etc.

Employment growth in this sector is expected to be well-above average throughout the projection period. This is one of the fastest growing industries in Wisconsin and is currently looked to as a gauge of economic recovery as many establishments hire temporary workers in light of newly increasing workloads. It has also become commonplace for these contracted workers to remain agency-employed rather than permanently hired by their contractor establishment.

Top 20 Occupations in Wisconsin in Administrative and Support Services
Ranked by number of jobs projected in 2012

Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Landscaping and Groundskeeping Workers
Laborers and Freight, Stock, and Material Movers, Hand
Office Clerks, General
Packers and Packagers, Hand
Maids and Housekeeping Cleaners
Security Guards
Cashiers
Helpers--Production Workers
Packaging and Filling Machine Operators and Tenders
Customer Service Representatives
Bookkeeping, Accounting, and Auditing Clerks
Nursing Aides, Orderlies, and Attendants
Receptionists and Information Clerks
Executive Secretaries and Administrative Assistants
Team Assemblers
Registered Nurses
Inspectors, Testers, Sorters, Samplers, and Weighers
Telemarketers
General and Operations Managers

Source: WI DWD, Office of Economic Advisors, Sept. 2004

Occupation projections

Occupational Group Summary for Southeast Workforce Development Area

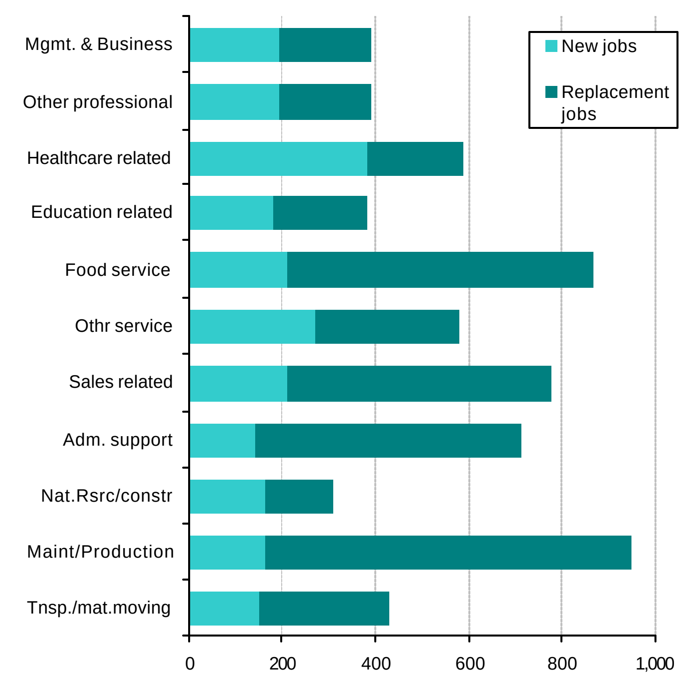
Occupational Groups	Estimated Employment		2002 - 2012 Change		Annual average			Average hourly wage	Annual average wage
	2002	2012	Numeric	Percent	New Jobs	Replace-ments	Total Openings		
Total, All Occupations	166,650	189,040	22,390	13.4%	2,240	4,140	6,380	$15.49	$32,213
Management, Business & Financial Operations	10,450	12,300	1,850	17.7%	190	200	390	$31.33	$65,168
Computer, Math, Architecture & Engineering	4,400	5,120	720	16.4%	70	80	150	$26.46	$55,046
Life & Social Sciences, Legal, Art & Entertaining	6,350	7,540	1,190	18.7%	120	120	240	$19.36	$40,277
Educatoin, Training, & Library	9,510	11,320	1,810	19.0%	180	200	380	$18.89	$39,284
Healthcare Practitioners, Technicians & Support	11,950	15,710	3,760	31.5%	380	210	590	$19.97	$41,545
Food Preparation & Serving	16,600	18,670	2,070	12.5%	210	660	870	$7.97	$16,583
Protective, Maintenance & Personal Care Service	13,640	16,340	2,700	19.8%	270	310	580	$11.58	$24,093
Sales and Related	16,240	18,350	2,110	13.0%	210	570	780	$14.23	$29,589
Office/Administrative Support	24,320	25,740	1,420	5.8%	140	570	710	$12.84	$26,699
Natural Resources, Mining & Construction	7,510	9,090	1,580	21.0%	160	150	310	$20.15	$41,907
Installation, Maintenance, Repair & Production	33,010	34,650	1,640	5.0%	160	790	950	$15.10	$31,409
Transportation/Material Moving	12,690	14,230	1,540	12.1%	150	280	430	$12.79	$26,613

Source: Wisconsin Department of Workforce Development, Office of Economic Advisors, September 2004

This page begins a more in-depth discussion of the southeast's occupational outlook. The above table presents the region's employment via broad occupational groups and their projected dynamics from 2002 to 2012.

Total occupational employment is projected to grow by 22,400 jobs by 2012. This equals the total industry employment growth mentioned earlier. The annual average number of new jobs, 2,240 new jobs per year, differs with the higher figure of annual average 'total openings' because total openings is a combination of both the total new jobs and replacement worker needs. Replacements are basically a "zero sum" figure in terms of job growth because replacement workers are not filling newly created jobs, but are filling existing, vacated positions. To a job seeker, it is probably irrelevant as to how a job opening becomes available, but to workforce developers this is a significant distinction.

Annual Openings by Occupation Groups in Southeast WDA



Source: WI DWD, Office of Economic Advisors, September 2004

The big picture of the future job market shows that about 65 percent of all job openings will be generated by the need for replacement workers. This pattern is not unique to the southeast and the current job market likely reflects this as well. Most replacement needs are the result of a natural churn in the labor market of workers changing jobs, moving up career ladders, and retirement. Replacement worker needs due to retirement will become much more pervasive in the coming years.

The differences between the projected number of new jobs in occupations and their replacement needs are indicative of where the economy is heading, which itself reflects both structural economic change and demographic changes. An occupation that is creating more new jobs than it has replacement needs shows an accelerating need for these workers because of both economic and demographic changes. An occupation that shows a significantly higher need for replacements than newly created jobs signifies that the occupation is a) more likely to be entry-level with shorter–

Twelve Occupations with the Most Annual Openings from 2002-2012 in Southeast Workforce Development Area

Occupational Title	Estimated Employment 2002	Estimated Employment 2012	2002-2012 Change Numeric	2002-2012 Change Percent	Annual average New Jobs	Annual average Replace-ments	Annual average Total Openings	Typical Education or Training Path	Average Wage	Middle 50 Percent Hourly Wage Range
Cashiers	4,570	5,100	530	11.6%	50	220	270	1 mo. or less trng. on-the-job	$7.94	$6.61 - $8.69
Retail Salespersons	5,420	6,060	640	11.8%	60	200	260	1 mo. or less trng. on-the-job	$9.71	$6.99 - $10.22
Waiters/Waitresses	3,450	3,920	470	13.6%	50	180	230	1 mo. or less trng. on-the-job	$6.60	$5.79 - $6.75
Comb Food Prep/Server/Incl Fast	3,420	4,120	700	20.5%	70	150	220	1 mo. or less trng. on-the-job	$7.55	$6.34 - $8.46
Registered Nurses	2,590	3,400	810	31.3%	80	50	130	Bachelor's or Assoc. degree**	$22.76	$19.89 - $25.52
Janitors/Cleanrs Ex Maids/Hskpng	3,080	3,560	480	15.6%	50	60	110	1 mo. or less trng. on-the-job	$10.24	$7.89 - $12.19
Team Assemblers	4,010	3,800	-210	-5.2%	0	100	100	1-12 mos. training on-the-job	$13.44	$9.97 - $14.80
Nursing Aides/Orderlies/Attndnts	2,330	2,910	580	24.9%	60	30	90	1 mo. or less trng. on-the-job	$10.72	$9.38 - $11.89
Office Clerks/General	2,610	2,860	250	9.6%	30	60	90	1 mo. or less trng. on-the-job	$11.03	$8.81 - $12.92
Labrs/Frght/Stock/Matrl Movrs/Hand	2,690	2,730	40	1.5%	0	90	90	1 mo. or less trng. on-the-job	$11.26	$8.80 - $13.12
Truck Drivers/Hvy/Tractor-Trailer	2,230	2,700	470	21.1%	50	40	90	1-12 mo. training on-the-job	$17.33	$14.01 - $20.62
Sls Reps/Whlsl/Mfg/Ex Tech/Sci	1,950	2,290	340	17.4%	30	50	80	1-12 mo. training on-the-job	$30.98	$17.99 - $47.27

Source: WI DWD, Office of Economic Advisors, September 2004 * may include classroom instruction ** depends on employer

than-average job tenures, or b) likely to be prominent in a slowly growing industry, yet is likely to have many of its older workers retiring thus creating a need for replacements.

The southeast's largest occupational need (broad category on previous page) will be for workers in installation, maintenance, repair and production occupations and 83 percent of the need will be for replacement workers. Many of these jobs are located in manufacturing establishments, and although they are not growing robustly, will still need skilled and experienced workers to fill vacated positions. Healthcare practitioners, technicians & support occupations show the largest percentage of their projected total openings from newly created jobs. This reflects the projected employment growth of the healthcare industry.

The table above lists specific occupations with the most projected annual openings in the southeast. Generally, this list shows nothing new compared to past projections, as it tends to include entry-level occupations with shorter tenures and higher than average turnover. The national list is likely similar. The presence of registered nurses on this list is remarkable, not only because of the attention it receives as an occupation in dire need of more workers, but because of its fifth ranking on *this* list and it being the only occupation on this list that requires post-secondary education.

The list of the region's fastest growing occupations (below) includes occupations whose percentage change will be relatively large, though the number of jobs in these occupations will not necessarily become numerically large in spite of their fast growth. For example, an additional 70

Twelve Occupations with the Greatest Percent Change from 2002-2012 in Southeast Workforce Development Area

Occupational Title	Estimated Employment 2002	Estimated Employment 2012	2002-2012 Change Numeric	2002-2012 Change Percent	Annual average New Jobs	Annual average Replace-ments	Annual average Total Openings	Typical Education or Training Path	Average Wage	Middle 50 Percent Hourly Wage Range
Medcl Records/Health Info Techs	190	310	120	63.2%	10	0	10	Associate degree	$11.15	$8.77 - $12.21
Medical Assts	330	520	190	57.6%	20	10	30	1-12 mos. training on-the-job	$13.09	$10.57 - $14.78
Home Health Aides	700	1,070	370	52.9%	40	10	50	1 mo. or less trng. on-the-job	$9.51	$8.74 - $10.63
Personal and Home Care Aides	920	1,350	430	46.7%	40	20	60	1 mo. or less trng. on-the-job	$8.88	$7.90 - $9.98
Social/Human Service Assts	450	650	200	44.4%	20	10	30	1-12 mos. training on-the-job	$14.36	$10.41 - $18.18
Dental Hygienists	270	390	120	44.4%	10	0	10	Associate degree	$25.06	$23.77 - $27.06
Dental Assts	430	610	180	41.9%	20	10	30	1-12 mos. training on-the-job	$12.99	$11.74 - $14.48
Occupational Therapists	150	210	60	40.0%	10	0	10	Bachelor's degree	$24.78	$19.76 - $29.16
Physical Therapists	180	250	70	38.9%	10	0	10	Master's degree	$28.91	$24.56 - $32.75
Medical/Health Services Mgrs	220	300	80	36.4%	10	0	10	Bachelor's dgr. or more, plus ex	$34.75	$23.61 - $36.04
Heating/AC/Refrig Mechs/Instlrs	200	270	70	35.0%	10	0	10	1 yr. or more trng. on-the-job*	$20.12	$15.92 - $23.17
Computer Systems Analysts	390	520	130	33.3%	10	0	10	Bachelor's degree	$35.51	$20.71 - $34.82

Source: WI DWD, Office of Economic Advisors, September 2004 * may include classroom instruction ** depends on employer physical therapists in the region by 2012 represents an increase of 39 percent, but the total number of jobs will be just over 200; not a large occupation, but one that is quickly growing in response to projected need. One will notice that the majority of these fastest growing occupations are related to healthcare. Collectively, these healthcare related occupations will increase by 48 percent adding 1,620 jobs by 2012.

Education

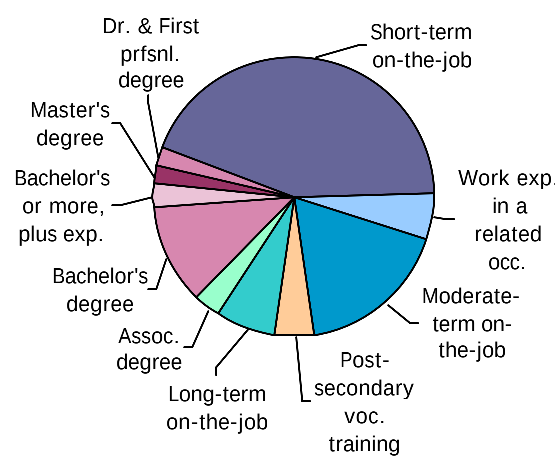
One of the more perpetuated myths about changes in the future labor market is that the majority of the nation's (and region's) jobs will require a four-year college degree, minimum. This is a false notion evidenced by the table at the bottom of this page. While it is true that more jobs than currently will require a bachelor's degree or higher by 2012, the fact remains that most occupations and 62 percent of the region's total job openings will require short- or moderate-term on the job training. Job openings requiring a bachelor's degree or higher will comprise about 19 percent of total openings. Compared to the statewide average, the southeast's percentage of total job openings requiring a bachelor's degree or higher education is slightly lower.

One irrefutable fact is the positive correlation between higher occupational wages and post-secondary educational attainment. More education does not guarantee one higher wages, but it does afford one more opportunity to earn higher wages in higher paying occupations. Many of these opportunities will be in newly created jobs in response to the labor market's evolving needs as opposed to being in jobs generated by replacement needs.

From an economic development point of view, existing, evolving and newer industries are either becoming more innovative or are essentially based upon creating or implementing new technology. In fact, one would be hard pressed to name a single industry that has not embraced some form of innovation in the name of improvement, increased productivity or efficiency. These changes not only require educated and skilled workers, but will require some workers with particularly specific and intricate education. Employers are going to base their location or expansion decisions based upon people, the pool of available workers. Economic development is not exclusive from workforce development because the availability of a skilled and educated workforce is fundamental to attracting and retaining employers. Knowing the education and skills required for tomorrow's jobs, today, will help workers and employers make the best decisions for themselves.

A complete list of hundreds of occupational projections can be found at http://dwd.wisconsin.gov/oea/wda/projections/se.htm.

Distribution of Total Openings in Southeast WDA by Training Path



Typical Education or Training Path* for Jobs in Southeast Workforce Development Area

Education or Training	Number of Occupations	Estimated Employment 2002	Estimated Employment 2012	2002-2012 Change Numeric	2002-2012 Change Percent	Annual average New Jobs	Annual average Replace-ments	Annual average Total Openings	Distribution of Total Openings
Total	730	166,670	189,050	22,380	13.4%	2,240	4,160	6,400	100.0%
Associate degree	34	4,210	5,200	990	23.5%	100	80	180	2.8%
Bachelor's degree	105	18,690	22,420	3,730	20.0%	370	390	760	11.9%
Master's degree	36	3,040	3,630	590	19.4%	60	60	120	1.9%
First professional degree	16	1,460	1,830	370	25.3%	40	30	70	1.1%
Doctoral degree	40	1,190	1,540	350	29.4%	40	30	70	1.1%
Long-term on-the-job training	80	13,030	14,770	1,740	13.4%	170	290	460	7.2%
Moderate-term on-the-job training	162	37,350	40,480	3,130	8.4%	310	800	1,110	17.3%
Short-term on-the-job training	136	65,610	73,710	8,100	12.3%	810	2,020	2,830	44.2%
Bachelor's degree or more, plus work exp.	30	5,220	6,060	840	16.1%	80	100	180	2.8%
Work exp. in a related occupation	42	9,710	11,070	1,360	14.0%	140	200	340	5.3%
Postsecondary vocational training	49	7,160	8,340	1,180	16.5%	120	160	280	4.4%

* This provides a general indication of the education or training typically needed in occupations. There may be other pathways.

Source: WI DWD, Office of Economic Advisors, September 2004

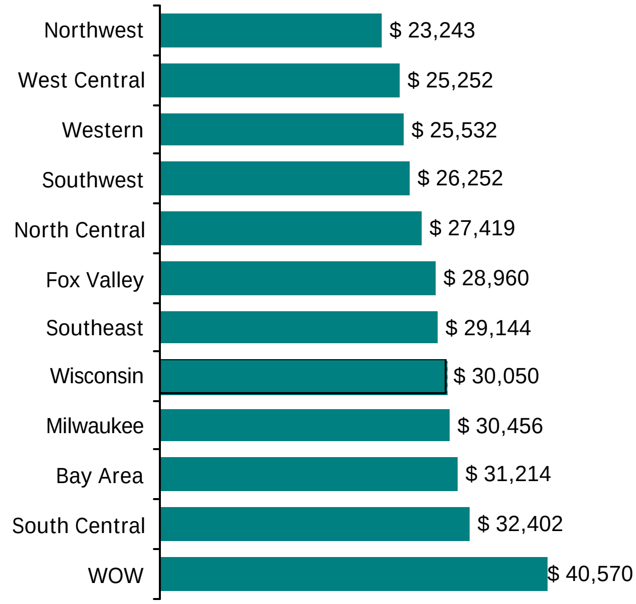
Total personal income

Total personal income is the sum of job earnings, earnings from dividends, interest and rent, and transfer payment receipts. Total personal income in the southeast, from a compositional perspective, is above average in its share of job earnings, below average in earnings from dividends, interest and rental income, and is close to average in its composition of governmental transfer receipts.

Total personal income in the southeast region has grown more slowly than in the state and nation due to the region's more sluggish job market and its higher than average reliance upon wage earnings as a share of total income. The only personal income component in the region that grew faster than state and national averages from 1997 to 2002 (per the table below) was its acquisition of transfer receipts, particularly those from unemployment insurance benefits. This makes sense given the recession in 2001 and its lingering effects on the region's job market, especially in its high-paying manufacturing sector. Manufacturing employment has been more crucial to the region's economic foundation than both the state and nation, and in general terms, the jobs that have been replacing lost manufacturing work have not been as highly paying. Therefore, average annual wages paid grew more slowly than state and national wages.

Per capita personal income (PCPI) is one of the more highly regarded measures of a community's economic health. It is defined as an area's total personal income divided by its total

Per Capita Personal Income by WDA



Source: US Dept. of Commerce, Bureau of Economic Analysis

Total Personal Income in Southeast Workforce Development Area

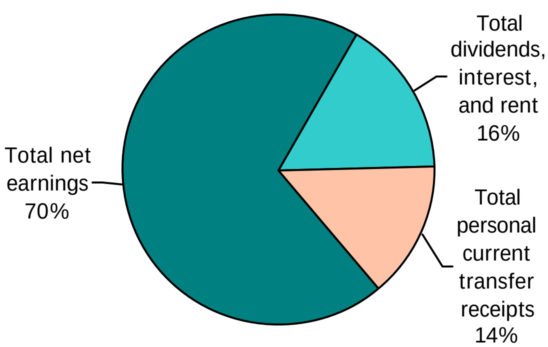
			% Change from 1997 to 2002		
	1997	**2002**	**Southeast**	**Wisconsin**	**United States**
Population	420,209	439,894	4.7%	3.3%	5.6%
Total Personal Income (in thousands)	$10,275,703	$12,820,346	24.8%	26.6%	28.8%
Net Earnings	$7,163,515	$8,926,307	24.6%	27.6%	30.4%
Dividends, Interest, and Rental Income	$1,835,808	$2,094,498	14.1%	14.9%	18.4%
Transfer Receipts	$1,276,380	$1,799,541	41.0%	39.4%	35.8%
Income Maintenance	$95,396	$119,604	25.4%	29.1%	21.3%
Unemployment insurance benefit payments	$36,072	$96,394	167.2%	147.2%	166.1%
Retirement and other	$1,144,912	$1,583,543	38.3%	36.9%	34.4%
Per Capita Personal Income	$24,454	$29,144	19.2%	22.6%	22.0%
Per Capita Net Earnings	$17,048	$20,292	19.0%	23.5%	23.4%
Per Capita Dividends, Interest, and Rental Income	$4,369	$4,761	9.0%	11.3%	12.1%
Per Capita Transfer Receipts	$3,037	$4,091	34.7%	35.0%	28.6%
Total Employment (see glossary)	205,281	213,434	4.0%	5.0%	7.3%
Wage and salary jobs	175,702	179,565	2.2%	4.3%	5.9%
Number of non-farm proprietors	27,489	31,823	15.8%	11.2%	16.0%
Average earnings per job	$30,271	$35,657	17.8%	21.0%	21.2%
Average wage & salary disbursements	$27,261	$31,581	15.8%	19.0%	21.1%
Average nonfarm proprietors income	$14,879	$21,705	45.9%	37.0%	24.7%

Source: Special tabulation by WI DWD, Office of Economic Advisors & US Dept. of Commerce, Bureau of Economic Analysis, May 2004 population, hence *per capita*. The region's PCPI of $29,144 in 2002 was approximately $906 per person lower than the statewide average of $30,050. Of the three regional counties, only Racine County's PCPI ($30,331) was higher than the statewide average.

The graph on upper right of the previous page stacks 2002 PCPI figures by WDA from lowest to highest. The reader will notice that the rural WDAs tend to have lower PCPI, while the statewide PCPI tends to cluster around the more urban and metropolitan WDAs, which have a higher PCPI. This makes sense given the fact that the majority of the state's population, 51 percent, lives within the four WDAs that rank higher than the state's PCPI.

The change in the southeast's PCPI from 1997 to 2002 was approximately 19 percent, which like its total personal income, grew more slowly that than that of the state and nation. The southeast's slower PCPI growth revolved around the fact that its per capita net earnings grew a few percentage points slower than the state and nation, which again was tied to its more sluggish job market. The component growing the fastest on a per capita basis in the southeast was its transfer receipts.

Major Components of Total Personal Income in 2002 in Southeast Workforce Development Area



Source: Special tabulation by WI OEA & US BEA files

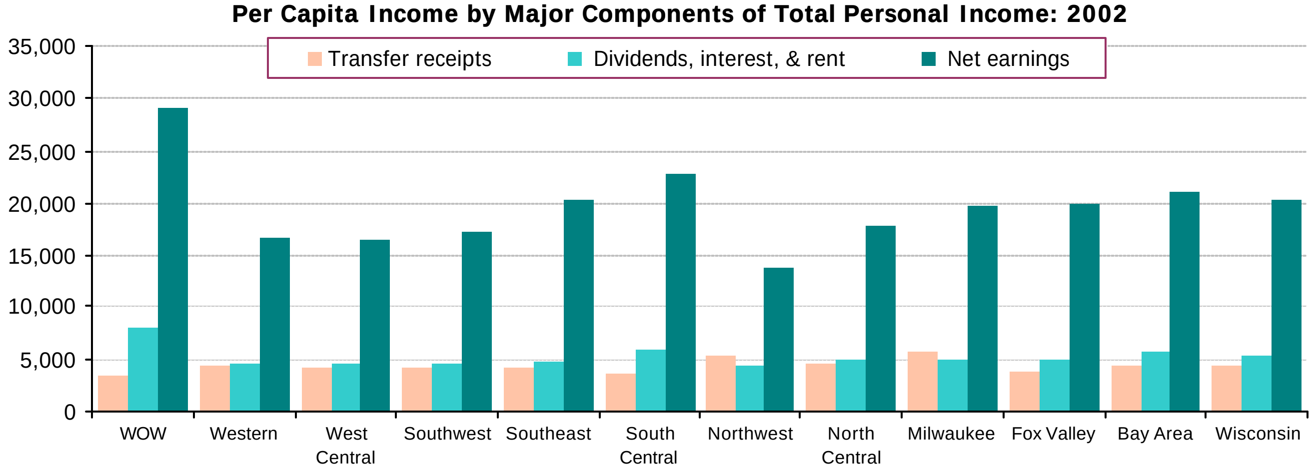
The reader should keep in mind that underlying population characteristics and changes can be just as influential to this per capita measure as much as the total income being divided by it. The three southeast WDA counties could not be more distinct from one another in terms of their population and income growth.

Walworth County is growing quickly as the population increases primarily via in-migration of residents in the younger adult and elderly segments of the age continuum. Age generally influences how income is obtained and how much income is obtained.

Kenosha County's population is growing moderately, but there are a number of young children, whom are likely members of families who have recently moved into the county or are being born to parents who have relocated to the county. The effects of young children on a county's PCPI is important to note because children rarely obtain income, yet nonetheless are part of the population denominator. Kenosha's PCPI growth has been slower than the state average, but its total personal income has grown significantly faster than the statewide clip.

Racine County's population, total personal income and PCPI are the region's slowest growing and all three figures are below the respective statewide growth rates, too. But because it is the largest of the three counties, it heavily influences the overall southeast figures.

Per Capita Income by Major Components of Total Personal Income: 2002



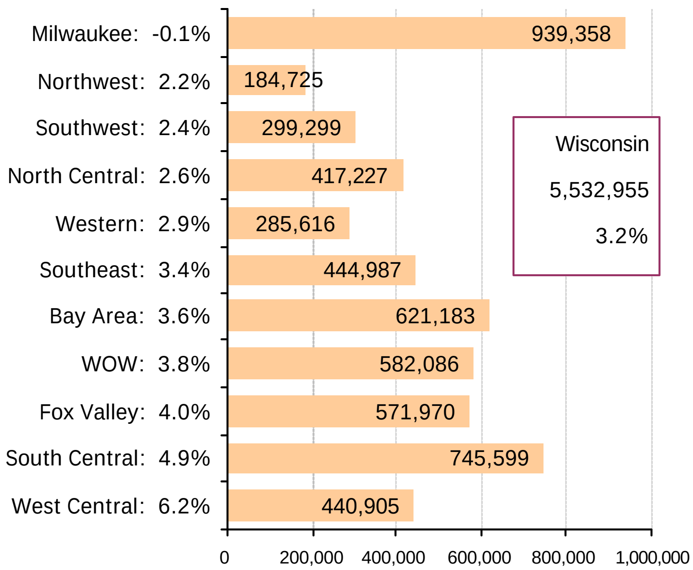
Source: Special tabulation by WI DWD, Office of Economic Advisors & US Dept. of Commerce, Bureau of Economic Analysis

Connecting the Elements

Population dynamics have always been key in workforce and economic development. Very simply, they are the pool of workers and they set the tone as consumers of goods and services fueling two-thirds of the overall economy.

The southeast WDA population numbered close to 445,000 residents in 2004 representing about eight percent of Wisconsin's population. The region has approximately 14,600 more residents since the 2000 Census for growth of 3.4 percent. The southeast's population growth rate has been about average over the last four years. The most populous of the regional counties, Racine, added the least population with an increase of just over 3,000 residents. The least populated county, Walworth, grew the fastest at +5.5 percent by adding 5,000 people.

2004 WDA Population and Percent Change from 2000



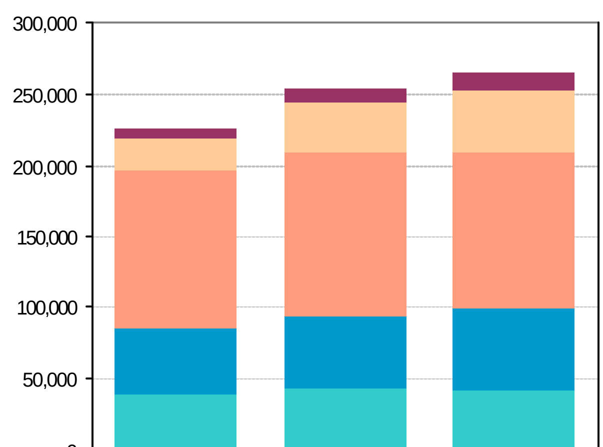
Source: WI Dept. of Administration, Demorgraphic Services Center

Population change is the net result of two occurrences, migration and natural change. A fundamental understanding of these occurrences trumps the simple rate of overall population change. The region's net increase of 14,600 residents over the last four years was 8,450 via natural increase (more births than deaths) and the remaining 6,150 via net in-migration (more moved in than out). Current and forthcoming development endeavors, be they economic or workforce development, must have a keen eye on particular demographic features and anticipated changes of the population. This is especially critical as it relates to an area's projected age characteristics and the likely effects of aging on consumer behavior and the workforce.

Southeast WDA population projections from 2005 to 2030 forecast population growth close to 84,000 more residents (+19 percent) with almost half of the region's growth speculated to occur in Kenosha County. Nineteen percent growth over 25 years is subdued when compared to the 14 percent growth that occurred in ten years between 1990 and 2000. The region's projected growth is a bit faster than the statewide growth rate of 15 percent. There has been much discussion of Wisconsin's aging population, which has also been a national issue, but it is likely to become a more salient one in the Midwest United States. Much of this discussion has been wrapped in the life stage movement of the historically large baby boomer population (those born between 1946 and 1964) compared to its two smaller, succeeding generations. To put the size of the boomer generation in perspective, currently one out of every ten southeast residents is aged 66 to 84 years. By 2030, when the baby boomers reach this age, they will comprise one out of every seven residents.

Broad age group analysis of the southeast shows that those aged 19 years and younger will increase in number by close to ten percent from 2005 to 2030. The number of those between 20 and 59 years, ones' prime working years, will

Southeast WDA Labor Force Projections by Age



	2000	2010	2020
65+	7,247	9,198	12,752
55-65	22,633	34,611	43,004
35-54	110,448	115,668	110,003
25-34	46,990	51,096	56,985
16-24	38,789	42,810	42,194
Total	226,107	253,384	264,938
Decade change	**15.2%**	**12.1%**	**4.6%**

Source: DWD, Office of Economic Advisors, August 2004 increase by about seven percent. And the number of residents aged 60 years and older is projected to increase by 76 percent. From a compositional view, those aged 19 years and younger will decrease from 28 percent of the population in 2005 to 26 percent by 2030. Those 20 to 59 years old will decrease from 55 percent to 50 percent of the population. And the number of those aged 60 years and older will increase from 16 to 24 percent of the total southeast region.

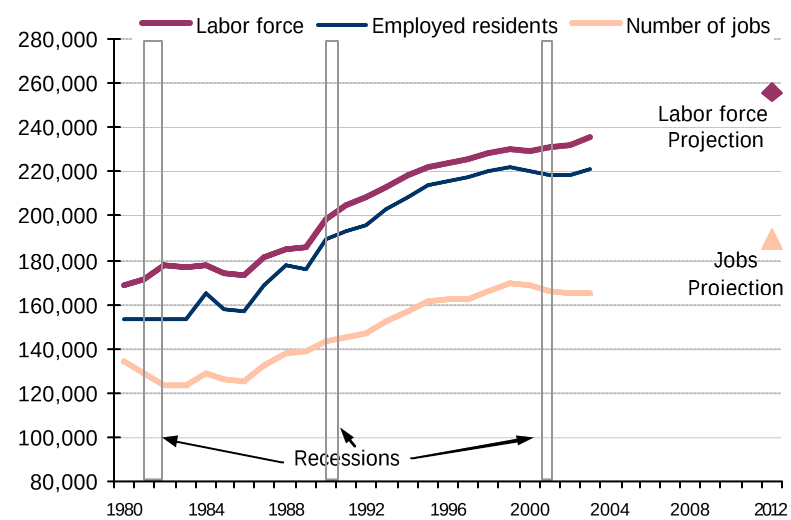
The graph on the lower right of the previous page paints a scenario of what the projected southeast WDA labor force will look like—by age. This scenario assumes labor force participation rates by age, as measured by the U.S. Census, and incorporates 2012 national changes in participation projected by the U.S. Bureau of Labor Statistics. Crossing these participation rates with population projections helps estimate projected labor force. The regional labor force is projected to grow 17 percent from 2000 to 2020, which compared to other WDAs is stable growth relative to growth of those aged 16 and older, whom compose the labor force.

The slower labor force growth and age composition will bring about a multitude of issues for workforce developers. One issue is that there will be shortage of younger workers "in the pipeline" to replace those who are leaving the workforce permanently or are progressing up the ladder of their careers. There are many occupations that are typically filled by those in younger age brackets, usually entry-level occupations. But there are other occupations typically requiring post-secondary/vocational education or a skill set that will also be in need of new (read: younger) workers such as nursing and various other healthcare occupations. The loss of retiree institutional knowledge will also likely have quite an impact on the labor market.

The economy will change as the population ages meaning that the services and goods in demand will change as consumer behavior changes. There is no better example of this than the healthcare industry. An increase in age and an increased demand for healthcare services are highly, positively correlated, thus the need for more workers. Again, the large, aging baby boomer population will affect employment in several industries just as they have influenced other industries and culture in their younger stages of life.

The graph on this page roughly compares historic and projected total nonfarm jobs in the southeast to its historic and projected total labor force and number of employed (the employed are one of two components that make up the majority of the labor force; the unemployed are the other component). The graph's spikes and dips in the number of jobs and employed show how steadily overall growth has been over the last two and one-half decades, marked with a few periods of stagnation in the three recessions during this timeframe.

Historic & Projected Labor Force & Jobs in Southeast WDA



Source: WI DWD, Bureau of Workforce Information & Office of Economic Advisors

What may seem incongruous is the fact that the region has had a larger labor force than its total job-count and is projected to maintain this disparity. While the job count is projected to grow faster than the labor force, 15 percent vs. 11 percent, the labor force will stand around 256,000 and the job count will be around 189,000. These figures are never matched 1:1 in any region, but this difference is quite large and is telling of the fact that many southeast workers commute out of the region (and state) for work. It is estimated that 30 percent of all Kenosha workers and 12 percent of Walworth's travel to Illinois for employment. This is unique because many metropolitan counties have more jobs than available workers and draw from the surrounding counties' labor pools for their labor needs.

The workforce development profiles are produced by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

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